

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MUSKET CORPORATION,

Plaintiff,

- against -

PDVSA PETROLEO, S.A., a/k/a PDVSA
PETROLEO Y GAS, S.A., and ADVANCED
ENGINEERING DEVELOPMENT LTD.,

Defendants.

Civil Action No.
06 CV 15522 (VM)

**AFFIDAVIT IN SUPPORT
OF MOTION TO CONFIRM
ORDER OF ATTACHMENT**

STATE OF OKLAHOMA)
 : ss.:
COUNTY OF OKLAHOMA)

RAVI RAMDAS, being duly sworn, deposes and says:

1. I am employed by the plaintiff, Musket Corporation ("plaintiff" or "Musket"), and make this affidavit in support of plaintiff's motion to confirm the Order of Attachment entered on December 28, 2006. I am fully familiar with the facts and circumstances stated below.

2. I respectfully refer the Court to my prior affidavit sworn to on December 28, 2006, as well as the Complaint. The purpose of this affidavit is to amplify the papers previously submitted by plaintiff, so that the Court has a more complete understanding of the underlying transaction at issue, and to address certain documents which I am advised were presented to the Court by counsel for defendant PDVSA Petroleo S.A. ("PDVSA") during a conference held in this matter on January 5, 2007.

3. At the outset, I wish to emphasize that there should be no dispute about the value of the cargo of oil which plaintiff agreed to purchase. The agreed price, as evidenced by the contract terms, was (i) the average market price for the dates Nov. 13-15, 2006 which was

\$68.1552 per US barrel (which equals \$1.6227 per US gallon, or \$502.486 per metric ton), times (ii) the actual quantity of the shipment, as determined at the destination port, which was 263,123 US barrels when discharged on December 10, 2006 (equal to 35,688.94 metric tons). See Contract (Complaint, Exh. 1). This yields a purchase price of \$17,933,192.57.

4. Plaintiff has paid this amount in full. Annexed hereto as Exhibit 1 is the wire transfer record evidencing payment of \$2,191,000.00 to Team Tankers AS (“Team Tankers”), the vessel owner, on December 4, 2006. Annexed hereto as Exhibit 2 is the wire transfer record evidencing payment of \$1,309,000.00 to defendant Advanced Engineering Development Ltd. (“Advanced”) on December 5, 2006. Annexed hereto as Exhibit 3 is the wire transfer record evidencing payment of \$14,433,192.57 to PDVSA on December 19, 2006. This totals \$17,933,192.57.

5. As further explained in this Affidavit, plaintiff's payment to Team Tankers, the ocean carrier, was made solely as an accommodation to Advanced and as a partial payment of the agreed price for the cargo. Plaintiff was NOT contractually liable to pay the cost of shipping the cargo from Venezuela to the destination. Plaintiff did not charter the vessel and is not a party to the charter party (contract of shipment). It is plaintiff's understanding that the charterer was Advanced. The agreed price was the cargo of oil “on Delivered basis.” Contract (Complaint, Exh. 1), page 1, at “Price”. This is further reflected in the fact that the only additional charge that the purchaser (plaintiff) might have to bear, per the contract, was demurrage (delay damages) at the discharge port. Id., p. 2, at “Demurrage.” Any demurrage at the port of origin was not plaintiff's responsibility.

6. As it happened, demurrage at the port of origin was significant in this case. It is plaintiff's understanding that this cargo of oil had already been sold to another buyer and loaded

on board in Venezuela when that transaction was cancelled. Plaintiff was then contacted with the opportunity to purchase the cargo. The vessel carrying the cargo was idle in port in Venezuela for some time before we proceeded. Any expenses arising due to that delay were the responsibility of the sellers, not of plaintiff.

7. The Court may wish to note the heading of the original contract of sale (Complaint, Exh. 1, p. 1), which refers to and identifies the seller as follows:

Advanced Engineering Development Ltd.
 Ur. Guadalmina Alta Ed Barclays Local 4
 San Pedro, Marbella, Malaga Spain 29678\
 INTRAKAM/ PDVSA OPERATOR
 (Hereinafter Referred to as “Seller”)

The contract was prepared by Advanced. Plaintiff was told that Intrakam was an agent or broker of PDVSA handling sales to foreign, private (non-governmental) entities, and that Advanced was acting for Intrakam and PDVSA.

8. As the vessel approached the destination, Advanced advised plaintiff that the charges to be invoiced by the carrier (Team Tankers) to Advanced were greater than anticipated. Annexed hereto as Exhibit 4 is a copy of an ocean freight invoice issued by Team Tankers to Advanced on November 22, 2006, reflecting shipping charges of \$1,366,000.00 and delay damages (demurrage) of \$825,000.00, for a total of \$2,191,000.00. (This demurrage was incurred at the origin of the voyage, not at the destination.) Advanced asked plaintiff to pay this invoice, as an accommodation to Advanced, in order for Team Tankers to discharge the cargo.¹ Plaintiff and Advanced agreed that this sum was to be credited toward the purchase price of the cargo. In other words, plaintiff would simply advance this sum as partial payment of the total

¹ The vessel owner was not required to offload the cargo at the destination until all shipping charges had been paid. This is what is meant by the term of payment, “Before Breaking Bulk” (BBB), on Team Tankers’ invoice, Exh. 4.

price, and the balance due by plaintiff to Advanced and PDVSA would be reduced by that amount. Plaintiff agreed to this proposal because it appeared that there was no other way to get the cargo off-loaded.

9. Advanced then prepared the contract amendment (Complaint Exh. 3). Pursuant to the original contract (Complaint Exh. 1), Advanced was to be paid \$61 per metric ton, or about \$2.2 million, and PDVSA was to receive the remainder, about \$15.7 million. It had been plaintiff's understanding that Advanced would pay the carrier's charges from its fee. However, to reflect the revised agreement, where Musket would advance the shipping charges on behalf of Advanced against the contract price, the amendment reflected that the total purchase price of approximately \$17,930,000 (subject to final reckoning, based on the actual quantity of oil off-loaded) would be divided as follows: approximately \$14,430,000 to be paid to PDVSA; \$1,309,000 to Advanced; and \$2,191,000 to Team Tankers. Advanced did not reveal to us the basis for the change in the allocation of the sales price between itself and PDVSA.

10. Musket was advised by Advanced that there was no need to contact PDVSA with regard to the contract amendment. Musket was assured that Advanced acted with full authority.

11. I am advised that, at a court conference held on January 5, 2007, lawyers for PDVSA referred to two documents: (1) an unsigned amended letter of credit application, which states that plaintiff will pay PDVSA "on behalf of the company Intrakam SA," and (2) an invoice from PDVSA to Intrakam. Copies of these documents, as presented in court, are annexed hereto as Exhibits 5 and 6, respectively.

12. On November 15, 2006 – shortly after the original contract was made, and the letter of credit was obtained – a representative of PDVSA contacted plaintiff, Advanced and Intrakam by email and indicated that the letter of credit documentation needed to be amended.

Apparently PDVSA's position is that it does not sell oil directly to purchasers, but does so only through "operators" (agents) such as Intrakam. Accordingly, PDVSA asked that the letter of credit be altered to state that plaintiff was making payment to PDVSA "on behalf of" Intrakam. A copy of this e-mail is annexed hereto as Exhibit 7. The requested change appears to be some sort of legal fiction required for PDVSA's internal needs. Plaintiff agreed to this amendment of the Letter of Credit. However, this does not change the underlying transaction in any respect.

13. This communication establish that PDVSA was fully aware of Advanced's role in the transaction. The address "a.engineering@terra.es" which appears in the "cc" header of the PDVSA e-mail (Exh. 7) is an email address of Advanced.

14. As far as I can determine, plaintiff was never advised that PDVSA had approved the amendment to the letter of credit, as the form of amendment requires.


15. The second document which I am advised was shown to the Court by PDVSA's lawyers is an invoice dated December 12, 2006 from PDVSA to Intrakam, in the amount of \$15,992,694.88, for the cargo of oil purchased by plaintiff (Exh. 6 hereto). Plaintiff does not understand how this amount is derived. The "rate" (price term) does not correspond to the actual price per barrel, even taking into account any agreed deduction for Advanced.

16. The difference between the amount of the PDVSA-Intrakam invoice, and the amount that plaintiff paid to PDVSA by wire transfer on December 19, 2006 (\$14,433,192.57), is \$1,559,502.31. The amount that PDVSA drew down under the letter of credit, and which is subject to the Order of Attachment, is a larger sum, \$1,561,061.50. (This difference probably reflects PDVSA charging Musket for interest.)

17. The PDVSA invoice to Intrakam is not relevant to plaintiff. Plaintiff did not agree to pay Intrakam, or to pay a PDVSA invoice issued to Intrakam. Per the contract, as

amended, plaintiff's obligation was to pay \$14,433,192.57 to PDVSA (i.e., the total cost of the cargo, as agreed, less the payments made to Advanced and Team Tankers). Plaintiff is not privy to the arrangements between and among PDVSA, Advanced and Intrakam. If Intrakam and/or Advanced is required to make up the difference to PDVSA, that is not plaintiff's responsibility. Plaintiff paid in full for the cargo; that is the extent of its responsibility. PDVSA's attempt to help itself to a further payment, of over \$1.5 million of plaintiff's money, is baseless.

WHEREFORE, plaintiff respectfully requests that the Court confirm the Order of Attachment.


Ravi Ramdas

Sworn to before me this
15th day of January, 2007

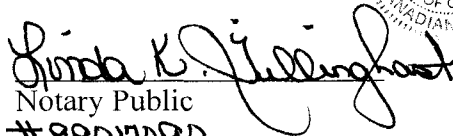

Notary Public
#99017090



EXHIBIT 1

Transaction Search Details


| | | | |
|----------------------------|---|--------------------------|---|
| Transaction Date: | 12/4/2006 | Status: | COMPLETED TRANSACTION |
| Amount: | 2191000 | | |
| Debit Party: |  MUSKET CORP BOX 26210 OKLAHOMA CITY OK 73126 | Credit Party: | DDA/0011667490 NORDEA BANK OSLO P O BOX 1166 SENTRUM- OSLO NORWAY 0107 - |
| Debit Reference: | 000000A0455883NW | Credit Reference: | WRE OF 06/12/04 |
| Sequence #: | None | | |
| Transaction Type: | Book Transfer | | |
| JPMorgan Reference: | 1156000338ZO | | |
| Payment Details: | IBAN NUMBER NO8360740442611 FOR PAYMENT OF INV NO P 007528 DATED 11-22-2006 TO ADVANCED ENGINEERING DEVELOPMENT LTD SPAIN | | |
| Bank/Bank Info: | | | |
| Third Party: | /6074.04.42611 TEAM TANKERS AS | Fourth Party: | |
| Order Party: | MUSKET CORP GENERAL | Order Bank: | |
| Credit Advice: | Swift | Cr Adv Type: | Payment |
| Release Time(GMT): | 21:23:43 | Source: | WRE |
| Existing Inquiry: | No | | |

EXHIBIT 2

BC 10480770 USD 1,309,000.00 USD 1,309,000.00 ADVANCE ENGINEERING DEVELOPMENT LTD 262504 INTNL 458194 12/5/2006 12:42:21PM

BANK ONE *The One Net - Wires* (SM)

Today's Bank Confirmed Payments Report - Detail

As of: December 05, 2006 12:44:12 pm

Payment Details

Tran Ref 458194
Status Confirmed
Value Date 05 Dec 2006
Transaction Date 05 Dec 2006
Payment Amount USD 1,309,000.00
Debit Amount USD 1,309,000.00
Rate TBD
Customer Ref
Payment Type INTNL
Pymt Sys Ref. 0574400339ZO
Settlement Ref 262504
Template Code
On Behalf Of

Beneficiary Bank Details

Routing Code CRESCHZZ12A
Bank Name CREDIT SUISSE

Address
No Address

GENEVA CH

Optional Text

Text to Bene INVOICE NO. 867789 TO MUSKET CORPORATION

Instructions to
Bene Bank
Instructions to
Bank One
Internal Memo

Debit Account Details

Account Name MUSKET CORP GENERAL
Account No. [REDACTED]
Short Name MUSKETCO
Location OK

Intermediary Bank Details

Routing Code
Routing Type SWIFT
Bank Name

Address

Originator Details

Name
ID
Address

Beneficiary Details

Account 0251-255055-52
Name ADVANCE ENGINEERING DEVELOPMENT LTD
Address

Charges

Activity Log

| | | |
|---------------|--------|----------------------|
| Last Activity | BETTYP | 12/5/2006 12:42:21PM |
| Entered | BETTYP | 12/5/2006 11:53:51AM |
| Modified | | |
| Approved 1 | BETTYP | 12/5/2006 12:14:05PM |
| Approved 2 | BETTYP | 12/5/2006 12:14:05PM |
| Approved 3 | BETTYP | 12/5/2006 12:14:05PM |
| Unapproved | | |
| Deleted | | |
| Mgr Approved | | |
| Released | | 12/5/2006 12:14:05PM |
| Reject Reason | | |

Draft Details

Draft Number
Mail To:

Print Processed? No
Reprint Count
Last Reprint
Draft Advice
INVOICE NO. 867789 TO MUSKET CORPORATION

EXHIBIT 3

BC 10480770 USD 14,433,192.57 USD 14,433,192.57 PDVSA PETROLEO, S.A. BOOK TRANSFER DOM 509299 12/19/2006 2:23:23PM

BANK ONE *The One Net - Wires* (SM)

Today's Bank Confirmed Payments Report - Detail

As of: December 19, 2006 2:27:50 pm

Payment Details

Tran Ref 509299
 Status Confirmed
 Value Date 19 Dec 2006
 Transaction Date 19 Dec 2006
 Payment Amount USD 14,433,192.57
 Debit Amount USD 14,433,192.57
 Rate TBD
 Customer Ref
 Payment Type DOM
 Pymt Sys Ref. 0892500353ZO
 Settlement Ref BOOK TRANSFER
 Template Code
 On Behalf Of

Debit Account Details

Account Name MUSKET CORP GENERAL
 Account No. [REDACTED]
 Short Name ** MUSKETCO
 Location OK

Intermediary Bank Details

Routing Code
 Routing Type Fedwire ABA
 Bank Name

Beneficiary Details

Account 0011992765
 Name PDVSA PETROLEO, S.A.
 Address

Beneficiary Bank Details

Routing Code 021000021
 Bank Name JPMORGAN CHASE BANK, NA
 Address

Originator Details

Name
 ID
 Address

Charges

Activity Log

| Activity | Type | Date | Time |
|---------------|--------|------------|-----------|
| Last Activity | BETTYP | 12/19/2006 | 2:23:23PM |
| Entered | BETTYP | 12/19/2006 | 2:07:34PM |
| Modified | | | |
| Approved 1 | BETTYP | 12/19/2006 | 2:08:18PM |
| Approved 2 | BETTYP | 12/19/2006 | 2:08:18PM |
| Approved 3 | BETTYP | 12/19/2006 | 2:08:18PM |
| Unapproved | | | |
| Deleted | | | |
| Mgr Approved | | | |
| Released | | 12/19/2006 | 2:09:05PM |
| Reject Reason | | | |

Draft Details

Draft Number
 Mail To:

NEW YORK, NY

Optional Text

Text to Bene PAYMENT UNDER LETTER OF CREDIT NO. CTCS-651908 MUSKET CORPORATION ON BEHALF OF INTRAKAM SA DE CV, INV 383222-0

Instructions to
 Bene Bank
 Instructions to
 Bank One
 Internal Memo

Print Processed? No
 Reprint Count
 Last Reprint
 Draft Advice

PAYMENT UNDER LETTER OF CREDIT NO.
 CTCS-651908 MUSKET CORPORATION ON BEHALF
 OF INTRAKAM SA DE CV, INV 383222-0

EXHIBIT 4

EXHIBIT 5



JPMorgan Chase Bank, N.A.
c/o JPMorgan Treasury Services
Global Trade Services
10420 Highland Manor Drive
Tampa, FL 33610

NOV 17, 2006
OUR L/C NO.: CTCS-651908
APPLICANT REF. NO.: PDVSA-2
AMENDMENT NO.: 1

TO:
PDVSA PETROLEO S.A.
DIVISION CORPORATIVA DE MANUFACTURA
Y MERCADEO EDIF. PDVSA, TORRE OESTE
CARACAS,
VENEZUELA

APPLICANT:
MUSKET CORPORATION ON BEHALF OF THE
COMPANY INTRAKAM SA DE CV
10601 N. PENNSYLVANIA
P.O. BOX 26210
OKLAHOMA CITY, OK 73126

IN ACCORDANCE WITH INSTRUCTIONS RECEIVED, THE ABOVE REFERENCED STANDBY
LETTER OF CREDIT HAS BEEN AMENDED AS FOLLOWS:

RECEIVER'S REFERENCE: NONREF

APPLICANT'S NAME AND ADDRESS ARE CHANGED TO
MUSKET CORPORATION ON BEHALF OF THE
COMPANY INTRAKAM SA DE CV
10601 N. PENNSYLVANIA
P.O. BOX 26210
OKLAHOMA CITY, OK 73126

BENEFICIARY'S NAME AND ADDRESS ARE CHANGED TO
PDVSA PETROLEO S.A.
DIVISION CORPORATIVA DE MANUFACTURA
Y MERCADEO EDIF. PDVSA, TORRE OESTE
CARACAS,
VENEZUELA

THE FOLLOWING 2 CONDITIONS ARE ADDED:

WE UNDERSTAND THIS LETTER OF CREDIT IS ISSUED RELATIVE TO CONTRACT
REFERENCE 015INTRAK COVERING THE PURCHASE OF MT35,708 OF D2 DIESEL OIL
BETWEEN PDVSA PETROLEO S.A. AND THE COMPANY INTRAKAM SA DE CV. WE FURTHER
UNDERSTAND THAT INTRAKAM SA DE CV'S ROLE IS AS AN OPERATIVE ON BEHALF OF
PDVSA PETROLEO S.A., ONLY.

THE AMOUNT AVAILABLE FOR DRAWING UNDER THIS LETTER OF CREDIT WILL BE
REDUCED BY THE AMOUNT OF ANY PAYMENTS MADE OUTSIDE THIS LETTER OF CREDIT TO



JPMorgan Chase Bank, N.A.
c/o JPMorgan Treasury Services
Global Trade Services
10420 Highland Manor Drive
Tampa, FL 33610

NOV 17, 2006
OUR L/C NO.: CTC5-651908
APPLICANT REF. NO.: PDVSA-2
AMENDMENT NO.: 1

THE BENEFICIARY IF SUCH PAYMENTS ARE MADE THROUGH JPMORGAN CHASE BANK, N.A., CHICAGO AND REFERENCE THIS LETTER OF CREDIT.

BENEFICIARY'S SIGNED AND DATED STATEMENT IS CHANGED TO READ AS FOLLOWS:
"WE, PDVSA PETROLEOS, S.A, HEREBY CERTIFY THAT MUSKET CORPORATION ON BEHALF OF THE COMPANY INTRAKAM SA DE CV HAS FAILED TO PAY US ON DUE DATE THE AMOUNT OF U.S. \$16,400,000.00 PLUS +/- 10% (SIXTEEN MILLION FOUR HUNDRED THOUSAND AND 00/100 U.S. DOLLARS PLUS AND MINUS TEN PERCENT) FOR THE SHIPMENT OF MT35,709 OF D2 DIESEL OIL FROM PUNTA CARDON, VENEZUELA TO HOUSTON, TEXAS, USA SHIPPED ON VESSEL M/T TEAM ANIARA." THEREFORE, WE DEMAND PAYMENT OF SAID AMOUNT IN SAME DAY FUNDS VIA WIRE TRANSFER TO OUR ACCOUNT PDVSA PETROLEO S.A., JPMORGAN CHASE BANK, N.A., NEW YORK 270 PARK AVE., NEW YORK 10172, ACCOUNT NUMBER 0011992765 ROUTER 022000Q021 SWIFT: CHASUS33.

ALL AMENDMENT UNDER THIS LETTER OF CREDIT ARE SUBJECT TO THE BENEFICIARY'S AGREEMENT, AS PER (SELECT ONE) [ARTICLE 9D, UCP 500] OR [RULE 1.06B, ISP98]. THIS AMENDMENT SHALL NOT BE CONSIDERED OPERATIVE UNLESS THE BENEFICIARY COMMUNICATES THEIR AGREEMENT TO THE AMENDED TERMS. PLEASE INDICATE YOUR ACCEPTANCE/REJECTION BY SIGNING AND RETURNING A COPY OF THIS AMENDMENT TO THE ATTENTION OF STANDBY LETTER OF CREDIT UNIT, 300 S. RIVERSIDE PLAZA, MAIL CODE IL1-0236, CHICAGO, ILLINOIS 60606-0236.

PDVSA PETROLEO S.A.

ACCEPTED BY: _____
ITS: _____
DATE: _____

REJECTED BY: _____
ITS: _____
DATE: _____


ALL OTHER TERMS AND CONDITIONS OF THE CREDIT REMAIN UNCHANGED.



JPMorgan Chase Bank, N.A.
c/o JPMorgan Treasury Services
Global Trade Services
10420 Highland Manor Drive
Tampa, FL 33610

NOV 17, 2006
OUR L/C NO.: CTCS-651908
APPLICANT REF. NO.: PDVSA-2
AMENDMENT NO.: 1

NOTE: KINDLY SIGNIFY YOUR CONSENT TO THIS AMENDMENT BY SIGNING AND RETURNING THE ENCLOSED COPY DIRECTLY TO US OR THE ADVISING BANK (IF ONE IS PRESENT) FOR TRANSMISSION TO US. YOUR IMMEDIATE ATTENTION TO THIS MATTER WILL BE APPRECIATED IN ORDER THAT WE MAY COMPLETE OUR RECORDS.



AUTHORIZED SIGNATURE

EXHIBIT 6

PDVSA PETROLEO, S.A.
CARACAS DF 1044

INVOICE

TO: INTRAKAM SA
ATTN: CESAR CHAVEZ ROBLES
COAHUILA

INVOICE NO: 383222-0

PAGE NO: 1

INVOICE SENT DATE: 12-12-06

FAX: 0052(844)439 0789

OUR CONTRACT NO: SA130239

PAYMENT INSTRUCTIONS:

PLEASE REFERENCE INVOICE
JPMORGAN CHASE NEW YORK
270 PARK AVENUE
NEW YORK
NEW YORK, NY 10172
BANK ACCOUNT NO: 0011992765
BANK ASSOC NO: 021000021

NO. RIF: J-001230726

CONTACT: CARLOS ORELLANA
PHONE NO: 0212-7084032

DUE DATE: 12-13-06

PAYMENT TYPE: WIRE

PAYMENT TERMS: 30 DAYS AFTER BILL OF LADING
DATE (B/L DATE = DAY 0)

MOVEMENT: DELIVERY OF DIESEL ON 11/13/2006 FOB ORIGIN
ORIG LOCATION: PUNTA CARDON, PORT, VENEZUELA
DEST LOCATION: HOUSTON, PORT, TEXAS, USA
EXPORTER OF RECORD: PDVSA PETROLEO, S.A.
SHIPPING: BY VESSEL (TEAM ANIARA) TICKET NUMBER=5855
CURRENCY USED: US DOLLAR

| LINE | DESCRIPTION | QTY | UOM | N/G | RATE | AMOUNT |
|------|-------------|---------|-----|-----|---------|---------------|
| 0-1 | DIESEL | 263.123 | BBL | N | 60.7803 | 15.992.694.88 |
| | | | | | | 15.992.694.88 |

INVOICE TOTAL 15.992.694.88

INVOICE COMMENTS:

Payment of the invoice shall be made in U.S. dollars (without discount, allowance, retention or deduction, including banking fees or wire transfers from commercial banks) to the bank and account No. indicated above in same-day-available funds opening business at the City of New York making reference to the invoice number on your remittance.

PAYMENT TO BE RECEIVED UNDER JPMORGAN CHASE NEW YORK. LETTER OF CREDIT NO. CTC5-651908

EXHIBIT 7

Betty Proudfoot

From: Betty Proudfoot
Sent: Wednesday, November 15, 2006 2:27 PM
To: 'GILMER GONZALEZ'
Subject: RE: MUSKET - INTRAKAM / LETTER OF CREDIT

We are on the conference call right now.

From: GILMER GONZALEZ [mailto:gonzalezggx@pdvsa.com]
Sent: Wednesday, November 15, 2006 1:58 PM
To: Betty Proudfoot
Cc: DOLORES DOBARRO; CAROLA BEJARANO; a.engineering@terra.es; ARCADIO ROSAS; CESARCHAVEZ@INTRAKAM.COM.MX; MARIA SILVA
Subject: MUSKET - INTRAKAM / LETTER OF CREDIT

Dear Sirs,

As per our phone conversation of today regarding the above reference, we hereby confirm the need of opening a Letter of Credit having as applicant the Company **"Musket" on behalf of the Company "Intrakam"**, due to Intrakam is the registered client in PDVSA, the actual direct buyer and responsible for paying before PDVSA. The use of this statement is commonly practiced in PDVSA with our customers; this procedure also protects all parts involved. We so far haven't had any problems with this practice. According to the above applicant statement, Intrakam would be the only company responsible for any legal claim under the supplying contract and under the warranty and/or letter of credit, so it is needed to get Intrakam involved in the documentation. Since you need some time to contact the adequate approval channels, we here wait for your prompt answer considering we have no time because the loaded vessel has been there for too long, causing operational problems to PDVSA and desperation to the crew.

We hope this problem can be solved as soon as possible since we both intend to keep on building up our business relationship in the future.

Our e-mail addresses: GONZALEZGGX@PDVSA.COM, DOBARRODET@PDVSA.COM and BEJARANOGC@PDVSA.COM.

Our phones: 58-212-708.4552 / 708.3999.

Kind regards,

Gilmer G. González G.
 International Commerce General Manager
 Commerce & Supply
 PDVSA Petróleos, S.A.

***** PDVSA'S INTERNET E-MAIL USE *****

This message may contain information solely of the interest of PDVSA or its businesses. Copying, distribution, disclosure or any use of the information contained in this transmission is permitted only to authorized parties. If you have received this e-mail by error, please destroy it and notify webmaster@pdvsa.com or the sender by reply email.

***** USO DEL CORREO ELECTRONICO DE PDVSA HACIA INTERNET *****

Esta nota puede contener informacion de interes solo para PDVSA o sus negocios. Solo esta permitida su copia, distribucion o uso a personas autorizadas. Si recibio esta nota por error, por favor destruyala y notifique al remitente o a webmaster@pdvsa.com.